

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
MONTANA STATE AUDITOR
STATE OF MONTANA**

IN THE MATTER OF:

LPL FINANCIAL LLC, a broker-
dealer and federal covered adviser,
CRD # 6413.

Respondent.

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Case No: SEC-2012-144

**CONSENT AGREEMENT AND
FINAL ORDER**

This Consent Agreement and Final Order is entered into by the Office of the
Commissioner of Securities and Insurance, Montana State Auditor (CSI), acting pursuant to the
authority of Mont. Code Ann. § 30-10-101, et seq., and LPL Financial Corporation
(Respondent).

RECITALS

WHEREAS, the CSI received a complaint from C.R. alleging unauthorized and
unsuitable trading in his accounts by one of Respondent's broker-dealer registered
representatives and investment advisor representative, Clifford Tietje (Tietje);

WHEREAS, the CSI conducted an investigation into Tietje's trading in C.R.'s accounts;

WHEREAS, based on the CSI's investigation, the CSI alleges that the Respondent violated Mont. Code Ann. § 30-10-201(13)(k) by failing to reasonably supervise Tietje; and

WHEREAS, in consideration of the following mutual undertakings, the CSI and Respondents enter into the following:

STIPULATIONS AND CONSENTS

Without admitting or denying any of the CSI's allegations, the Respondents stipulate and agree to the following:

1. Respondent LPL Financial shall pay a fine of \$10,000 to the CSI within 30 days of the date of this Agreement. The payment must be sent to the CSI, ATTN: Jesse Laslovich, 840 Helena Avenue, Helena, Montana 59601.

2. The Respondent shall initiate an ACAT transfer of \$20,500.00 in restitution to C.R.'s traditional IRA account #09948425337 with Vanguard on the date of execution of this Agreement.

3. Upon execution of this Agreement and to the extent Tietje is still one of the Respondent's broker-dealer registered representatives and investment advisor representatives, the Respondents shall produce a disclosure document in a form acceptable to the CSI which explains to Tietje's prospective clients the difference between an advisory and a retail brokerage account and the fees associated with each; explains Tietje's investment strategies; discloses the risk associated with Tietje's investment strategies; and explains the difference between discretionary and non-discretionary accounts.

4. Respondent acknowledges that it has read and understands each term of this Consent Agreement and that it enters into this Consent Agreement voluntarily and without reservation.

5. Respondent and the CSI agree that this Consent Agreement resolves the alleged violations set forth in the Recitals.

6. Respondent and the CSI hereby acknowledge and agree that this Consent Agreement constitutes the entire agreement between the parties and that no other promises or agreements, either express or implied, have been made by the CSI or by any member, officer, agent, or representative of the CSI to induce Respondent to enter into this Consent Agreement.

7. With respect to the Recitals, Respondent specifically and affirmatively waives a contested case hearing and their right to appeal under the Montana Administrative Procedures Act, including Title 2, chapter 4, part 7, and elects to resolve this matter on the terms and conditions set forth therein.

8. The CSI warrants and represents that it does not now have any intent to bring any further action against the Respondent based upon the conduct alleged in the Recitals.

9. Respondent fully and forever releases and discharges the CSI, and all CSI employees and agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Recitals.

10. This Agreement is entered without adjudication of any issue, law or fact. It is entered solely for the purpose of resolving the CSI's investigation and allegations, and is not intended to be used for any other purpose.

11. The parties acknowledge and agree that this Consent Agreement may not be modified orally, and any subsequent modifications to this Consent Agreement must be mutually agreed upon in writing with the same formality of this Consent Agreement to be effective.

12. The parties agree that this Consent Agreement shall be incorporated into and made part of the attached Final Order issued by the Commissioner of Securities and Insurance, Montana State Auditor (Commissioner) herein.

13. Respondent further understands that, upon the signing of the Final Order by the Commissioner or her representative, this Consent Agreement and Final Order will be an order of the CSI, the CSI has jurisdiction over the enforcement of the Order, and failure to comply with it may constitute separate violations of the Code, as provided in Mont. Code Ann. § 30-10-308, and may result in subsequent legal action by the CSI.

14. Upon execution of this Consent Agreement and payment pursuant to ¶¶ 1-2, the CSI shall fully and forever release and discharge the Respondent, its employees, and its agents and representatives from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Recitals and will not commence any further administrative, civil, or other legal action based upon the regulatory non-compliance alleged in the Recitals.

15. This Consent Agreement shall be effective upon signing of the Final Order.

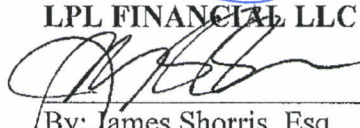
16. Respondents acknowledge that this Consent Order and Final Order are public records under Montana law and as such may not be sealed or otherwise withheld from the public.

DATED this 1st day of ~~October~~ November, 2012.


JESSE LASLOVICH
Chief Legal Counsel for the CSI

DATED this 31 day of October, 2012.

LPL FINANCIAL LLC


By: James Shorris, Esq.
Its Executive Vice President and
Deputy General Counsel

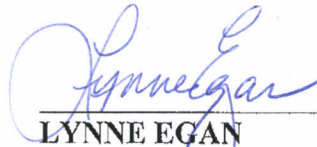
FINAL ORDER

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603 and §§ 30-10-101, MCA, et seq., and upon further review of the foregoing Consent Agreement and good cause appearing,

IT IS ORDERED that the foregoing Consent Agreement between the CSI and Respondent LPL Financial is hereby adopted as if set forth fully herein.

DATED this 5th day of ~~October~~ ^{November}, 2012.

MONICA J. LINDEEN
Commissioner of Securities and
Insurance, Montana State Auditor



LYNNE EGAN
Deputy Commissioner of Securities

cc: Jesse Laslovich, CSI
LPL Financial LLC